

# COMMITTEE REPORT

## MR. PRESIDENT:

**The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 460, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1       Page 1, between the enacting clause and line 1, begin a new  
2       paragraph and insert:  
3       "SECTION 1. IC 12-14-15-1, AS AMENDED BY P.L.67-2000,  
4       SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5       JULY 1, 2003]: Sec. 1. Assistance shall be given to a needy disabled  
6       individual (referred to as "disabled person" in this chapter) who meets  
7       the following qualifications:  
8       (1) Has a pending application on file with the federal Social  
9       Security Administration for assistance under Public Law 92-603,  
10      supplemental security income (SSI), or is receiving assistance.  
11      However, a person whose application for assistance under Public  
12      Law 92-603 has been denied but who meets all other  
13      requirements of this chapter is eligible for supplemental  
14      assistance.  
15      (2) Has one (1) of the following:  
16      (A) A physical or mental impairment, disease, or loss that is  
17      verifiable by a physician licensed under IC 25-22.5, that  
18      appears reasonably certain to result in death or ~~that has lasted~~  
19      ~~or appears reasonably certain~~ to last for a continuous period of  
20      at least ~~four (4) years~~ **twelve (12) months** without significant

improvement, and that substantially impairs the individual's ability to perform ~~labor or services or to engage in a useful occupation:~~ **activities of daily living.**

(B) A mental impairment, disease, or loss that is:

(i) diagnosed by a physician licensed under IC 25-22.5 or a health services provider in psychology licensed under IC 25-33-1; and

(ii) verifiable by a physician licensed under IC 25-22.5 or a psychologist licensed under IC 25-33;

that ~~has lasted or~~ appears reasonably certain to last for a continuous period of at least ~~four (4) years~~ **twelve (12) months** without significant improvement, and that substantially impairs the individual's ability to perform ~~labor or services or to engage in a useful occupation:~~ **activities of daily living.** ~~Employment in a sheltered workshop or under an approved vocational rehabilitation plan is not considered a useful occupation for the purposes of this chapter:~~ The determination of medical disability under this subdivision shall be made without reference to the individual's ability to pay for treatment.

(3) Does not have a parent, spouse, or other legally responsible relative able to support the individual.

(4) Is at least eighteen (18) years of age.

(5) Is residing and intends to remain in Indiana in a bona fide living arrangement.

(6) Has insufficient income or other resources to provide a reasonable subsistence according to the standards established by the division.

(7) Except as otherwise provided in this chapter, is not an inmate of or being maintained by a municipal, state, or national institution while receiving assistance.

(8) Has not, at any time within five (5) years immediately before the date of the filing of an application for assistance under this chapter, made an assignment or transfer of property for the purpose of making or that will make the individual eligible for assistance under this chapter, except as otherwise provided in this chapter."

Page 1, line 3, reset in roman "Subject to subsection (b),".

Page 1, line 3, delete "An" and insert "an".

- 1 Page 1, line 4, reset in roman "(1)".
- 2 Page 1, line 5, after "program" insert ";".
- 3 Page 1, line 5, reset in roman "and".
- 4 Page 1, reset in roman lines 6 through 7.
- 5 Page 1, line 8, reset in roman "assistance to the individual under".
- 6 Page 1, line 9, after "Congress" insert "**42 U.S.C. 1396a(f)**".
- 7 Page 1, line 9, reset in roman "or under".
- 8 Page 1, line 10, after "1382h);" insert "**42 U.S.C. 1382h;**".
- 9 Page 1, reset in roman lines 12 through 15.
- 10 Page 1, line 16, reset in roman "required to provide medical
- 11 assistance to the individual under".
- 12 Page 1, line 17, after "1382h)." insert "**42 U.S.C. 1382h.**".
- 13 Page 2, line 1, reset in roman "(c)".
- 14 Page 2, line 1, delete "(b)".
- 15 Page 2, line 2, strike "Section".
- 16 Page 2, line 3, strike "1619(b)(3) of the federal Social Security Act
- 17 (42 U.S.C. 1382h)." and insert "**42 U.S.C. 1382h.**".
- 18 Page 2, after line 3, begin a new paragraph and insert:
- 19 "SECTION 2. [EFFECTIVE UPON PASSAGE] (a) **The office of**
- 20 **Medicaid policy and planning established by IC 12-8-6-1, in**
- 21 **cooperation with the attorney general's office, shall contract with**
- 22 **an outside vendor to conduct an annual audit of areas of the state**
- 23 **Medicaid program, including:**
- 24 **(1) claims processing;**
- 25 **(2) provider billing practices; and**
- 26 **(3) overutilization of services by Medicaid recipients;**
- 27 **under the state Medicaid program, to identify overutilization,**
- 28 **fraudulently submitted claims, and incorrectly paid billings or**
- 29 **claims.**
- 30 **(b) If the audit conducted under subsection (a) discloses credible**
- 31 **evidence to suggest fraudulent activity, the office of Medicaid**
- 32 **policy and planning shall submit the audit data regarding the**
- 33 **Medicaid contractor, provider, or recipient to the attorney general**
- 34 **for further action.**
- 35 **(c) Information obtained or used in the audit required under**
- 36 **subsection (a) that identifies an individual Medicaid contractor,**
- 37 **provider, or recipient must be kept confidential unless the attorney**
- 38 **general commences an official action by the state against the**

1        **fraudulent activity.**

2        **(d) The office of Medicaid policy and planning shall report to**  
 3        **the state budget committee and the select joint commission on**  
 4        **Medicaid oversight upon request regarding the office's**  
 5        **implementation of this SECTION.**

6        **(e) This SECTION expires December 31, 2007.**

7        **SECTION 3. An emergency is declared for this act."**

8        Renumber all SECTIONS consecutively.

(Reference is to SB 460 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 10, Nays 0.

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**Miller**

**Chairperson**